

July 18, 2011

John Tennant
General Counsel
San Jose Police Officers' Association
1151 North Fourth Street
San Jose, CA 95112

RE: City of San Jose and San Jose Police Officers' Association

Dear John:

As you know, the agreement that was reached with the San Jose Police Officers' Association (POA) on June 3, 2011, for a successor Memorandum of Agreement (MOA), included a wage reduction of 10% for all classifications represented by the POA. During the negotiations, there was no agreement on whether the 10% wage reduction should be ongoing or one-time, therefore the parties agreed to submit this issue to binding interest arbitration under Charter Section 1111.

The parties further agreed to proceed to arbitration immediately so that an arbitration award can be issued no later than the end of calendar year 2011. As amended by Measure V, City Charter Section 1111 provides that, if the parties fail to mutually agree on the selection of an arbitrator, the Superior Court of the County of Santa Clara shall appoint a retired judge of the Superior court to serve as the neutral arbitrator and Chair of the Board.

The City is interested in having a retired judge of the Superior Court of the County of Santa Clara serve as the neutral arbitrator and Chair of the Board. Please provide your availability so we can schedule a conference call and discuss this matter further.

We are hopeful that we can mutually agree on a retired judge that shall serve as the neutral arbitrator for these proceedings per amended City Charter Section 1111.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Donnelly", written in a cursive style.

Gina Donnelly
Deputy Director of Employee Relations

c: George Beattie, President, POA
Jim Unland, Vice President, POA
Gregg McLean Adam, Carroll, Burdick & McDonough LLP
Nora Frimann, City Attorney's Office
Jon Holtzman, Renne, Sloan, Holtzman and Sakai